# INFORMATION

## C.M.A. Policy on Health Insurance Bills

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Advance publicity given Governor Warren's new compulsory health insurance bills, S.B. 788 and A.B. 1500, now pending before the State Legislature, apparently was designed to create an impression in the public mind that the new program is moderate and free of many of the objectionable features which characterized the legislation defeated in 1945.

That impression is false.

### NEW BILLS ENDANGER PUBLIC HEALTH

The two new bills (they are identical) are now available and have been carefully analyzed. The new bills, in many respects, are more dangerous to the public health than the bills beaten two years ago.

The 1947 program, while it differs from the 1945 plan in specific provisions, still constitutes a program of compulsion to regiment doctors and their patients, to levy new payroll taxes on workers and employers—and to foist a system of politically controlled, socialized medicine on the people of California.

### A PROMISE THAT CAN'T BE KEPT

The program is economically unsound, medically dangerous—and cruelly misleading in that it holds out a promise of hospital care to the sick and injured which the State is wholly incapable of keeping in face of the present critical shortage of hospital facilities.

California has a shortage of between 15,000 and 20,000 hospital beds for present needs, according to surveys which have been recently conducted—and it will take years of new hospital construction before that acute shortage can be overcome, even if means are found to finance the tremendous building program required.

There is very serious danger to the public health if the Warren compulsory health insurance program, which would cover more than 6,000,000 people, should be enacted. For every person covered under the act would be entitled to 100 days of hospitalization for each illness. Every patient, to get a benefit from his tax, would demand that he be hospitalized, because home and office calls of the doctor under this program are excluded—but medical care in the hospital, and during post-hospital recovery, is provided.

### THE CRITICALLY ILL WOULD SUFFER

The chaotic conditions which would follow are all too apparent. Hospitals would be jammed with patients with minor illnesses or injuries—and people who became critically ill, in desperate need of hospitalization, would in many instances be denied the care necessary to save their lives.

On that score alone these bills should be quickly and decisively defeated, but there are many other dangerous and unworkable provisions in the program.

The program calls for a 2 per cent payroll tax on wages up to $3,000 (1 per cent to be paid by the employee and 1 per cent by the employer) to provide the following services both for the employees and their families: (1) Hospitalization for each illness or disability up to 100 days; (2) All surgical operations by doctors; (3) All medical care by doctors from and after entry into hospital, and up to 100 days; (4) All x-ray and laboratory services in and out of the hospital; (5) Drugs, biologics, plasma, etc.; (6) Obstetrical care; (7) Dentistry in hospital, except extractions and pyorrhea.

### 2 PER CENT TAX IS INADEQUATE

That phase of the program must have been drafted by someone more versed in socialistic ideologies than in medicine, hospital management or insurance principles—for any attempt to render such services for a 2 per cent payroll tax would result in bankruptcy for the doctors and hospitals, or a State deficit running into many millions of dollars. It should be noted, in this regard, that there is no provision in the act for payment of deficits.

The payroll tax provided in the bills would be levied against all employees (other than Christian Scientists), regardless of salary or income, who are now under the Unemployment Compensation Act (Sections 33-35), plus all employees of the State, counties, cities, districts, etc., (Sections 25-36), even including the Governor and other elective officials. While only the employees (and their employers) would be taxed, the families of employees would be entitled to medical and hospital care—and it is conservatively estimated that the group covered would number more than 6,000,000.

### LOCAL TAX INCREASES

As the State, the 58 counties, all cities and districts would be required to pay the employer's tax for public employees in their jurisdiction, the act would have the effect of increasing State and local taxes—and would result in an automatic increase of all statutory debt limits (Section 127). Every taxpayer, therefore, in his dual role as an employer of public employees, would be forced to contribute toward the employer's share of the tax for government workers—in addition to paying into the

fund as employee or employer in his normal place of business.

The intent to set up a system of politically-controlled State medicine is disclaimed in Article 1, Section 1, of the bills, with a generalized statement to the effect that "the traditional relationship between patient, doctor and hospital" will not be changed. But the content of the bills, in almost every article and section which follows, belies this reassuring preamble.

So there can be no misunderstanding of the exact provisions of the bills in this regard, the State administrative bureau, which would be known as the California Health Service Authority, would have full power:

THIS IS SOCIALIZED MEDICINE

1. To fix "standards of service" (Section 209), that is to control hospital practices and medical acts and procedures;

2. To fix rates of pay to hospitals, to physicians, to laboratories and dentists (these rates need not be uniform in all parts of the State); (Section 209);

3. To extend benefits beyond those immediately authorized in the bill (Section 55-56);

4. To hire an Executive Director at $12,000 per year, plus other employees as desired (Sections 215-216);

5. To spend one-sixth of the administrative fund for financing refresher courses for doctors (Sections 158 and 210.5);

6. To carry on a propaganda campaign to influence the people and the Legislature to extend the act to include anything now left out (Section 211), and

7. To approve or reject "voluntary plans" of health insurance that desire to provide coverage for a 2 per cent of payroll premium tax.

For all practical purposes, the State bureau would hold the power of life or death over every one of the voluntary health insurance systems operating in California.

A DEATH BLOW TO VOLUNTARY SYSTEMS

And if the advocates of this legislation should be successful, the death knell already has sounded for California Physicians' Service, the doctors' own plan of pre-paid medical and hospital care, which now covers more than 400,000 people and is recognized as one of the outstanding systems in the Nation. Under the terms of S.B. 788 and A.B. 1500, California Physicians' Service is not eligible as a voluntary system—because it is a service plan rather than an insurance indemnity plan. Blue Cross Hospital Service, with its more than 650,000 members in California—and its national reputation in the voluntary field—would also be denied the right to operate.

Yet there are provisions in these bills which make pious protestations that the State program will encourage and aid the voluntary health systems!

One of the most glaring injustices which would result from enactment of the Warren compulsory health insurance bills is that more than 1,000,000 California war veterans, who served in World Wars 1 or 2, or the Spanish-American War, and who are now entitled to free medical and hospital care from the Federal Government, would be taxed arbitrarily to support a program they neither need nor want.

The American Legion, in both its National and State conventions last year, went on record as emphatically opposed to compulsory health insurance, and many of the other veterans' groups have taken similar action. Yet the State program now proposed would not only create a compulsory system, but would force veterans to pay into the fund when the Federal Government already has provided for their medical care.

California Physicians' Service, under a contract with the Veterans' Administration, has been providing medical care for veterans by their own physicians, in their own home communities, for all war-connected disabilities which do not require hospitalization. And veterans who require hospitalization are entitled to receive it without charge, as a benefit earned by their war service, in government hospitals.

Government compulsion and regimentation are abhorrent to the American people.

The California Medical Association will oppose these bills because it believes that the people of this State never would knowingly accept a system of State medicine; that they never would tolerate the type of medicine practiced in countries which have embraced compulsory health insurance. The people of California don't want a political doctor when illness strikes; they want their own doctor, and their own hospital, free from bureaucratic restraints.

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# Cancer Commission Refresher Course

The Cancer Commission announces a Refresher Course on neoplastic disease for physicians primarily in Northern California, to be held in San Francisco, March 27 and 28.

Expenses incident to the course are being defrayed by the American Cancer Society, California Division. Registration is limited to 175.

Applications to attend may be mailed to Dr. David A. Wood, Secretary, Cancer Commission, 450 Sutter Street, San Francisco, California.

Program for the course follows:

THURSDAY AND FRIDAY, MARCH 27 AND 28, 1947

*Morning Session*—9 A.M., March 27, Lane Hall, Stanford University Medical School.

Introductory Remarks—Lyle Kinney, M.D., Chairman Cancer Commission, or J. F. Rinehart, M.D., Chairman Program Committee.

CANCER OF THE ESOPHAGUS

Chairman, Robert Newell, M.D.

Recent Advances in Surgery for Cancer of the Esophagus—Gunther Nagel, M.D.—15 min.

Clinical Symptomology and Esophagoscopy — Clayton Lyon, M.D.—10 min.

X-ray Diagnosis—A. Justin Williams, M.D.—10 min.

Review of Experience in Surgery for Cancer of the Esophagus—H. Brodie Stephens, M.D.—15 min.

X-ray and Radium Therapy of Inoperable Cancer of the Esophagus—Robert Newell, M.D.—10 min.

*Questions.*

RECESS

CANCER OF THE STOMACH

Chairman, Arthur Bloomfield, M.D.

A round table discussion on the diagnosis and treatment of this common malignant disease. Participants: Drs. Emile Holman, H. Glenn Bell, L. H. Garland, Alvin Cox, Maurice Dailey, and Thomas Mullen.—60 min. Questions—30 min.

*Luncheon.*

*Afternoon Session*—2 P.M., March 27, Lane Hall, Stanford University Medical School.

CANCER OF THE UTERUS

Chairman, Dr. Ludwig Emge

Early Diagnosis of Cancer of the Uterus—The Use of the Vaginal Smear—Herbert F. Traut, M.D.—30 min.

Cancer of the Uterine Body—Aspiration and Other Biopsy Methods in Diagnosis—Paul Hoffmann, M.D.—15 min.

Prognosis and Treatment in Cancer of the Uterine Body —Donald W. de Carl, M.D.—15 min.

RECESS

X-ray and Radium Treatment of Cancer of the Cervix—Ludwig Emge, M.D.—30 min.

The Role of Surgery in Cancer of the Cervix—Daniel Morton, M.D.—30 min.

*Questions.*

*Evening Meeting*—8:30 P.M., March 27, Lane Hall, Stanford University Medical School.

The Program of the Cancer Commission of the California Medical Association and the American Cancer Society—Lyle Kinney, M.D., Chairman, Cancer Commission.

Cancer of the Large Intestine—Robert Scarborough, M.D.

*Morning Session*—9 A.M., March 28, Toland Hall, University of California, Medical School.

CANCER OF THE SKIN

Chairman, H. Glenn Bell, M.D.

The Clinical Aspects of Skin Cancer—Frances Torrey, M.D.—20 min.

Biopsy, Excisional Biopsy and Surgical Therapy of Skin Cancer—Otto Pflueger, M.D. and J. F. Rinehart, M.D.—20 min.

Irradiation Therapy of Skin Cancer—Bertram V. Low-Beer, M.D., 20 min.

Cancer of the Ear (Pinna)—Nelson Howard, M.D.—15 min.

*Questions.*

RECESS

Melanotic Tumors, Benign and Malignant—H. Glenn Bell, M.D.—10 min.

CANCER OF THE LIP

Chairman, H. Glenn Bell, M.D.

A round table discussion on diagnosis and methods of treatment. Participants: Drs. Leon Goldman, Emile F. Holman, Robert Newell, Robert S. Stone, David A. Wood—40 min.

*Luncheon.*

*Afternoon Session*—2 P.M., March 28, Toland Hall, University of California, Medical School.

CARCINOMA OF THE BREAST

Chairman, E. I. Bartlett, M.D.

Clinical Diagnosis and Prognosis as Related to Site and Stages Relation to Mastitis—E. I. Bartlett, M.D.—20 min.

The Gross and Microscopic Aspects of Breast Cancer—The Frozen Section—Stuart Lindsay, M.D.—15 min.

The Radical Operation for Breast Cancer and Indications for Operation—20 min.

RECESS

The Use of X-ray in Postoperative Treatment—Evelyn Siris, M.D.—15 min.

Palliative Irradiation of Advanced and Disseminated Breast Cancer—Robert Newell, M.D.—20 min.

Recent Experimental Studies on Hormonal Treatment of Inoperable Cancer of the Breast—Howard Steinbach, M.D.—15 min.

Hormonal Therapy in the Gynecologic and Mammary Sphere—C. Frederic Fluhman, M.D.—20 min.

*Questions.*